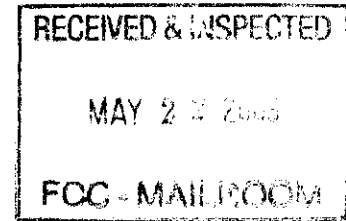


**Morris County School Of Technology**  
400 East Main Street  
Denville, N.J. 07834  
973-627-4600 Ex. 240  
Fax 973- 627-6979  
Email [rnutkis@mcvts.org](mailto:rnutkis@mcvts.org)



May 19, 2006

Federal Communications Commission  
Office of the Secretary  
9300 East Hampton Drive  
Capitol Heights, MD 20743

**DOCKET FILE COPY ORIGINAL**

Dear FCC Commission,

This letter is in reference to CC Docket No. 02-6 and is a request for a review of an USAC / SLD appeal denial letter dated March 31 for funding request number 1249096. I am providing the same information that I submitted to the USAC / SLD and the same exact supporting documentation. My school district would greatly appreciate your cooperation in reversing the previous decisions by the USAC / SLD. I can assure you that the funds are essential and they will be spent wisely in order to provide internet services to our school district and other member consortium school districts.

**WE ARE**

Morris Cty Voc Tech School Dist (MCVTSD)  
Billed Entity Number 123060  
Funding Request Number - 1249096  
Funding Year - 2005 -2006 (school year)  
Form 470 Number- 855920000515095  
Form 470 Application Number - 855920000  
Form 471 Application Number - 448973  
Form 471 Applicant's form Identifier - 4065320506  
FCC Registration Number - 12856456  
SPIN Name - Verizon New Jersey Inc  
Date of USAC Notification Letter - November 8, 2005

**USAC / SLD LANGUAGE**

"After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of a review it was determined that your Form 470 did not include the service(s) for which you sought funding in your Form 471 application, which is a violation of the FCC's competitive bidding rules. This FRN Requested funding for Internet access however the cited FCC Form 470 # 855920000515095 did not indicate that you were seeking funding for Internet Access. FCC rules require that except under limited circumstances, all eligible schools and libraries shall seek competitive bids for all services eligible for support. Since the

USAC CODE 0

services for which you sought funding were not properly posted to the website for competitive bidding, the commitment has been rescinded in full.”

### **MCVTSD Time Line**

December 2, 2004 – Form 470 filed on-line  
December 16, 2004 – Form 470 certification signature endorsement  
January 31, 2005 – USAC Form 470 received and posted letter  
February 15, 2005 – Form 471 filed on-line  
February 17, 2005 – Form 471 certification signature endorsement  
March 11, 2003 – USAC Form 471 received letter  
June 27, 2005 – UASC Form 471 Funding Commitment Letter  
October 14, 2005 – Form 486 mailed with certification signature endorsement  
November 8, 2005 - USAC Notification of Commitment Adjustment Letter  
November 9, 2005 – USAC From 486 Received Letter

### **Issue One – Form 470 on-line automation**

Form 470 – Application number 855920000515095 was filed on line on December 2, 2005. The USAC encourages applicants to file on line as a safeguarded against from filing oversights. According to the November 8, 2005 - USAC Notification of Commitment Adjustment Letter there was such an oversight.

The USAC claims that from 470 did not include the service(s) for which funding was requested in our Form 471 application, which is a violation of the FCCs competitive bidding rules. This FRN Requested funding for Internet access however the cited FCC From 470 # 855920000515095 did not indicate that you were seeking funding for Internet Access.

I would like to know why if a mandatory radio button was missed that the built in automation did not send the applicant back to that item to complete the information? Was there a flaw in the on-line filing program? If so why are you penalizing the applicant?

### **MCVTSD Issue Two – Time Lapse**

The SLD Form 470 was filed on-line on December 2. After the 470 filing all subsequent application forms were filed on time and SLC approvals were issued. (See above time line) On November 8, 2005 the USAC issued a Notification of Commitment Adjustment Letter. The November 8, 2005 date of the USAC Notification of Commitment Adjustment Letter made it impossible to make corrections on the original from 470. In addition, if corrections were not possible there would have been sufficient time to file a NEW form 470 or use my previous from 470 number 940390000418725 that was still in the system and viable. . There was a delay of eight months in between the from 470 on-line submission and the USAC Notification of Commitment Adjustment Letter. I thought the mission of the USAC was to distribute E-rate Funds to schools and libraries that made a sincere good faith effort to comply with the law and the program. The end result of the lack of a timely from 470 assessment punishes a deserving school district and regional consortium that provides direct technology services to teachers and students.

**MCVTSD Issue Three – Multi Year Contract – OC3 / Bandwidth Contract**

In block 2 Item 7d the box is checked for a multi year contract. Our multi year contract was signed in February 11, 2005 and is scheduled to expire on February 11, 2008. Due to the fact that we are in a multi year contract the USAC claim that "FCC rules require that except under limited circumstances, all eligible schools and libraries shall seek competitive bids for all services eligible for support. Since the services for which you sought funding were not properly posted to the website for competitive bidding, the commitment has been rescinded in full." We did not prevent competitive bidding due to the fact that we were in a multiyear contract. Our application for funds could have remained under from 470 number 940390000418725. However, I was advised by the USAC / SLC help line to file a new from 470 and that I could cover both the ISP and Bandwidth on a single 470 from. Based on that expert advised I proceeded as advised.

**MCVTSD Requested Solution**

Reinstate the requested and previously approved funding for this service in the amount of \$16,081.80.

Thank you for your time and cooperation in this matter.

Sincerely Yours,



Ray F Nutkis  
Media Specialist

Enc. Find enclosed for your review and reference copies of the following documents.

March 31, 2006 USAC / SLD Administrator's Decision on Appeal – Funding Year 2005-06

Nov. 8, 2005 USAC Notification of Commitment Adjustment Letter Funding Year 2005

January 31 2005 USAC Form 470 Receipt Notifications Letter

March 11, 2005 USAC Form 471 Receipt Acknowledgement Letter

June 27, 2005 USAC Form 471 Funding Commitment Letter

November 9, 2005 USAC Form 486 Notification Letter

Contract and billing documentation

(FCC-OC3-1249096)

# Supporting Documents

Ray Nutkis  
Morris County School of Technology  
Media Center  
400 East Main Street  
Denville, NJ 07834-2592

Billed Entity Number: 123060  
Form 471 Application Number: 448973  
Form 486 Application Number:



Universal Service Administrative Company  
Schools & Libraries Division

*B-1 MAY 31, 2006*

**Administrator's Decision on Appeal – Funding Year 2005-2006**

March 31, 2006

Ray Nutkis  
Morris County School of Technology  
Media Center  
400 East Main Street  
Denville, NJ 07834-2592

Re: Applicant Name: MORRIS CO VOC-TECH SCHOOL DIST  
Billed Entity Number: 123060  
Form 471 Application Number: 448973  
Funding Request Number(s): 1249096, 1249989  
Your Correspondence Dated: January 04, 2006

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of SLD's Funding Year 2005 Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 1249096, 1249989  
Decision on Appeal: **Denied**  
Explanation:

- On appeal, you request that the SLD re-consider its position regarding the posting of your Form 470 (Application number: 855920000515095). You state that you filed the Form 470 on December 2, 2004 and the Notification of Commitment Adjustment Letter was dated November 8, 2005, which made it impossible to make corrections on the original Form 470. You also state that, because you have a multi-year contract for the funding requests, you did not prevent the competitive bidding process.
- After a thorough review of the appeal and all relevant supporting documentation, it was determined that during both the Program Integrity Assurance Review and Program Compliance review, you cited Form 470 (Application number:

855920000515095) as the establishing Form 470 for your funding request. This Form 470 did not post for the requested Internet Access services because Item 7d was checked indicating that a multi-year contract signed on or before 7/10/97, for which no Form 470 has been filed in a previous program year. On appeal, you state that the funding requests were covered under a multi-year contract; however, it has been verified that the contracts provided were both signed after 7/10/97, which are not exempted from the competitive bidding requirement. Since the Internet Access services for which you sought funding were not properly posted to the website for competitive bidding, the commitment has been rescinded in full. You failed to provide evidence on appeal that the SLD has erred in its rescission decision.

- On your Form 471 you indicated that Form 470 (Application number 855920000515095) is the establishing Form 470 for the services requested. This Form 470 does not include the category of service requested on the funding request, which is a violation of the competitive bidding requirements of the support mechanism. Therefore, SLD denies your appeal.
- FCC rules require that all products and services for which an applicant requests discounts on an FCC Form 471 must be competitively bid on an FCC Form 470. The Form 470 must include a complete description of the services for which discounts are sought, be posted on the web site for 28 days, and applicants must carefully consider all bids received before selecting a vendor, entering into an agreement or signing a contract, and signing and submitting a Form 471. 47 C.F.R. §§ 54.504, 54.511(a) and (c). These competitive bidding requirements help to ensure that applicants receive the lowest pre-discount price from vendors. See Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order on Reconsideration, 12 FCC Rcd. 10095, FCC 97-246, p. 10098 ¶ 9 (rel. Jul. 10, 1997). The only exceptions to the posting requirement are for: (1) contracts signed on or before July 10, 1997 for the life of the contract; and (2) contracts signed between July 10, 1997 and before January 30, 1998 (the date on which the web site became operational) for products and/or services provided through June 30, 1999. 47 C.F.R. § 54.511(c) and (d).

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either the SLD or the FCC. For appeals that have been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

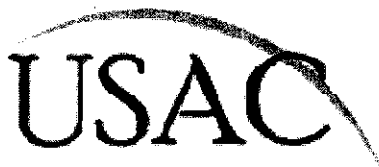
We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company



Ray Nutkis  
MORRIS CO VOC-TECH SCHOOL DIST  
400 E MAIN ST  
DENVER, NJ 07834 2592

OC3 BANDO 104



**Universal Service Administrative Company**  
**Schools & Libraries Division**

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**Notification of Commitment Adjustment Letter**

**Funding Year 2005: 7/01/2005 - 6/30/2006**

November 8, 2005

003

**Ray Nutkis**  
**MORRIS CO VOC-TECH SCHOOL DIST**  
**400 E MAIN ST**  
**DENVILLE, NJ 07834 2592**

**Re: Form 471 Application Number: 448973**  
**Funding Year: 2005**  
**Applicant's Form Identifier: 4065320506**  
**Billed Entity Number: 123060**  
**FCC Registration Number: 12856456**  
**SPIN Name: Verizon New Jersey Inc**  
**Service Provider Contact Person: Robert Kannegieser**

Our routine review of Schools and Libraries Program funding commitments has revealed certain applications where funds were committed in violation of program rules.

In order to be sure that no funds are used in violation of program rules, the Schools Libraries Division (SLD) of the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the adjustments to your funding commitment required by program rules, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the program rule violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for SLD to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of the Demand Payment Letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." Please see the "Informational Notice to All Universal Service Fund Contributors, Beneficiaries, and Service Providers" at [www.universalservice.org/new/2004.asp#083104](http://www.universalservice.org/new/2004.asp#083104) for more information regarding the consequences of not paying the debt in a timely manner.

## TO APPEAL THIS DECISION:

If you wish to appeal the Commitment Adjustment Decision indicated in this letter, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Numbers you are appealing. Your letter of appeal must include the Billed Entity Name, the Form 471 Application Number, Billed Entity Number, and FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter specific and brief, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal electronically, please send your appeal to [appeals@sl.universalservice.org](mailto:appeals@sl.universalservice.org) using your organization's e-mail. If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Appeals Area of the SLD section of the USAC web site or by contacting the Client Service Bureau at 1-888-203-8100. We strongly recommend that you use the electronic appeals options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC web site, or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

## FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. Immediately preceding the Report, you will find a guide that defines each line of the Report.

The SLD is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on these Funding Request Numbers, a separate letter will be sent to the service provider detailing the necessary service provider action.

Please note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Please note the Funding Commitment Adjustment Explanation in the attached Report. It explains why the funding commitment is being reduced. Please ensure that any invoices that you or your service provider submit to USAC are consistent with program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division  
Universal Services Administrative Company

cc: Robert Kannegieser  
Verizon New Jersey Inc

## A GUIDE TO THE FUNDING COMMITMENT ADJUSTMENT REPORT

A report for each E-rate funding request from your application for which a commitment adjustment is required is attached to this letter. We are providing the following definitions for the items in that report.

**FUNDING REQUEST NUMBER (FRN):** A Funding Request Number is assigned by the SLD to each individual request in your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.

**SERVICES ORDERED:** The type of service ordered from the service provider, as shown on Form 471.

**SPIN (Service Provider Identification Number):** A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. A SPIN is also used to verify delivery of services and to arrange for payment.

**SERVICE PROVIDER NAME:** The legal name of the service provider.

**CONTRACT NUMBER:** The number of the contract between the applicant and the service provider. This will be present only if a contract number was provided on your Form 471.

**BILLING ACCOUNT NUMBER:** The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on your Form 471.

**SITE IDENTIFIER:** The Entity Number listed in Form 471, Block 5, Item 22a. This number will only be present for "site specific" FRNs.

**ORIGINAL FUNDING COMMITMENT:** This represents the original amount of funding that SLD had reserved to reimburse you for the approved discounts for this service for this funding year.

**COMMITMENT ADJUSTMENT AMOUNT:** This represents the amount of funding that SLD has rescinded because of program rule violations.

**ADJUSTED FUNDING COMMITMENT:** This represents the adjusted total amount of funding that SLD has reserved to reimburse for the approved discounts for this service for this funding year. If this amount exceeds the Funds Disbursed to Date, the SLD will continue to process properly filed invoices up to the new commitment amount.

**FUNDS DISBURSED TO DATE:** This represents the total funds that have been paid to the identified service provider for this FRN as of the date of this letter.

**FUNDS TO BE RECOVERED FROM APPLICANT:** This represents the amount of improperly disbursed funds to date as a result of rule violation(s) for which the applicant has been determined to be responsible. These improperly disbursed funds will have to be recovered from the applicant.

**FUNDING COMMITMENT ADJUSTMENT EXPLANATION:** This entry provides an explanation of the reason the adjustment was made.

**Funding Commitment Adjustment Report for  
Form 471 Application Number: 448973**

---

Funding Request Number:	1249096
Services Ordered:	INTERNET ACCESS
SPIN:	143001362
Service Provider Name:	Verizon New Jersey Inc
Contract Number:	DA97238U1
Billing Account Number:	00013180533013Y
Site Identifier:	123060
Original Funding Commitment:	\$16,081.80
Commitment Adjustment Amount:	\$16,081.80
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date:	\$0.00
Funds to be Recovered from Applicant:	\$0.00

**Funding Commitment Adjustment Explanation:**

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of a review it was determined that your Form 470 did not include the service(s) for which you sought funding in your Form 471 application, which is a violation of the FCC's competitive bidding rules. This FRN requested funding for Internet Access however the cited FCC Form 470 # 855920000515095 did not indicate that you were seeking funding for Internet Access. FCC rules require that except under limited circumstances, all eligible schools and libraries shall seek competitive bids for all services eligible for support. Since the services for which you sought funding were not properly posted to the website for competitive bidding, the commitment has been rescinded in full.

*Call 1-800-21P 7-27-06*

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR  
CHECK TO ENSURE TIMELY PROCESSING**



# Universal Service Administrative Company

Schools & Libraries Division

003-ISP

FORM 470-Receipt Notification Letter  
(Funding Year 2005: 07/01/2005--06/30/2006)

470  
RECEIVED

January 31, 2005

Ray Nutkis  
MORRIS CO VOC-TECH SCHOOL DIST  
400 E MAIN ST  
DENVER, NJ 07834-2592

Re: Applicant's Form Identifier: 4004080506  
Form 470 Application Number: 855920000515095  
Entity Number: 123060  
Date Form 470 Posted: 12/02/2004  
Allowable Vendor Selection/Contract Date: 12/30/2004

Dear Ray Nutkis:

This letter is to notify you that the Schools and Libraries Division (SLD) has received your FCC Form 470, "Description of Services Requested and Certification Form," and your signed certification. This letter provides important information about program rules. Please read this letter carefully and retain it for your records and future reference.

The Form 470 Application Number listed above has been assigned by the SLD and will be used to track your Form 470. This number must be provided on each FCC Form 471, "Services Ordered and Certification Form," Block 5 Funding Request that cites this Form 470. Any applicant who relies on this Form 470 will need to know this Form 470 Application Number. You may wish to share this number with those schools and/or libraries featured in this application to assist them in their preparation of the Form 471.

The purpose of the Form 470 is to open a competitive bidding process for the services desired. The Form 470 applicant is responsible for ensuring an open, fair competitive process and selecting the most cost-effective provider of the desired services with price being the primary factor. The Form 470 must be completed by the entity that will negotiate with potential service providers. A service provider who will participate in the competitive bidding process as a bidder cannot complete it. Please be aware that if a service provider was involved in the preparation or certification of your Form 470, this involvement could taint the competitive bidding process and result in the denial of your funding requests.

FCC rules require that requests for non-contracted tariffed or month-to-month services and requests for new contractual services be posted on the SLD section of the USAC web site for a period of at least 28 days before selecting a vendor in order to provide for a competitive bidding process. If you indicated on your Form 470 that you have an RFP, that RFP must also be available to potential bidders for at least 28 days before selecting a vendor. In addition, if you are seeking support on your Form 470 for the first time for services delivered under a multi-year contract signed on or before July 10, 1997, the SLD cannot process your Form 471 until the 28-day waiting period has elapsed. State or local laws may require a longer procurement cycle. This 28-day waiting period must occur before

you may execute any contracts for contracted services, before you select your vendor for non-contracted tariffed or month-to-month service, and before you sign and submit your Form 471.

The "Allowable Vendor Selection/Contract Date" featured above is the earliest date that you may execute any contracts for contracted services; select your vendor for non-contracted tariffed or month-to-month services; and sign and submit your Form 471.

The FCC's Fifth Report & Order (FCC 04-190, released August 13, 2004) requires that documents demonstrating compliance with the statute and Commission rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts must be retained for a period of at least five years after the last day of service delivered. See "Document Retention Requirements" in the Order for a descriptive list of many of the documents you must retain.

You must follow all applicable state and local procurement laws. You must also be able to demonstrate compliance with these laws.

Your Form 470 and RFP, if applicable, MUST define the specific services or functions (and quantity and/or capacity) for which funding will be sought. You MUST obtain specific cost information, including prices for products and services to be provided. Failure to adhere to these rules violates the requirement to choose the most cost-effective provider. Moreover, you cannot seek discounts for services in a category of service on the Form 471 if those services in those categories were not indicated on a Form 470.

Requests for Proposals (RFPs) or other solicitation methods must be tailored specifically to your needs and circumstances, and based directly on your technology plan. Use of a generic RFP used successfully by another applicant, for example, does not comply with the Commission's competitive bidding requirements. RFPs and competitive bidding processes that are structured to favor one service provider undermine the competitive process.

FCC rules require your service provider to offer you the option of requesting discounts on bills, or of paying the bills in full and then receiving reimbursement. We recommend that you include your preferred method for receiving discounts when considering bids and discuss that with your service provider.

Beginning with Funding Year 2005, FCC rules restrict funding of Internal Connections Other than Basic Maintenance to only twice every five years. This rule does not apply to Basic Maintenance of Internal Connections.

A technology plan that covers all 12 months of the funding year is required for all services except basic local, cellular, PCS, and/or long distance telephone service and/or voice mail only. The technology plan must have been written before the Form 470 is filed, and must be approved by a state or other authorized body that is an SLD-certified Technology Plan Approver prior to the commencement of discounted services.

To assist us in evaluating the impact of new technology on the nation's schools and libraries, you will be asked to provide the National Center for Education Statistics (NCES) or Federal-State Cooperative System (FSCS) code for any recipient of service. Please continue to review the web site for additional information.

FCC Registration Numbers may be obtained through the FCC Registration Number Commission Registration System (CORES) at [www.fcc.gov](http://www.fcc.gov). The FCC's "Red Light Rule" became effective November 1, 2004. The FCC adopted Section 1.1910 of the rules to implement the Debt Collection Improvement Act of 1996 (DCIA), and amended 47 C.F.R. Secs 1.8002 and 1.8003 "to require all entities that participate in the schools and libraries universal service support mechanism to obtain an FCC Registration Number." Please continue to review the SLD section of the USAC web site for additional guidance.

Complete information about the filing window for the Funding Year 2005 Form 471, is posted to the SLD web site.

It is important to remember that not all requested services will necessarily be approved for discounts. Your Form 471 will be subject to review by the SLD for a determination of funding eligibility before funds are committed. This review will consider all program rules, including eligibility of discount recipients and the eligibility of services for which discounts are requested. In addition, availability of funds will be a factor in funding decisions. Therefore, you should consider the possibility of a denial of funding or a level of funding below your request, and include appropriate contingencies in contracts for any or all of the requested services.



Thank you for your interest in the Schools and Libraries program. If you have any questions, please contact the SLD Client Service Bureau by e-mail using the "Submit a Question" link on the web site, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

Schools and Libraries Division  
Universal Service Administrative Company

## IMPORTANT REMINDERS & DEADLINES

Entity Number: 123060  
Applicant Name: MORRIS CO VOC-TECH SCHOOL DIST

The following information is provided to assist you throughout the application process. We recommend that you keep it in an easily accessible location and that you share it with the appropriate members of your organization.

**28-DAY POSTING REQUIREMENT** - FCC Rules require that requests for non-contracted tariffed or month-to-month services and requests for new contractual services be posted on the SLD section of the USAC web site for a period of at least 28 days before selecting a vendor. If you indicate on your Form 470 that you have an RFP, RFPs must also be available to potential bidders for at least 28 days before selecting a vendor.

**FORM 471 APPLICATION FILING WINDOW** - It is your responsibility to check the SLD section of the USAC web site or contact the SLD Client Service Bureau (CSB) to obtain the filing window dates.

**OBLIGATION TO PAY NON-DISCOUNT PORTION** - Applicants are required to pay the non-discount portion of the cost of the products and/or services. Service providers are required to bill applicants for the non-discount portion. The FCC stated that requiring applicants to pay their share ensures efficiency and accountability in the program. The FCC's Fifth Order (FCC 04-190 released August 3, 2004) concluded that a reasonable timeframe for a beneficiary to pay its non-discount share is 90 days after the delivery of service. If you are using a trade-in as part of your non-discount portion, please refer to the web site for more information.

**TECHNOLOGY PLAN** - When a technology plan is required, it must cover all 12 months of the funding year, must have been written before the Form 470 is filed, and must be approved prior to commencement of discounted services. Technology plans are not required for basic local, cellular, PCS, and/or long distance telephone service and/or voice mail only.

**RETAIN DOCUMENTATION** - FCC rules require that documents demonstrating compliance with the statute and Commission rules must be retained for a period of at least five years after the last day of service delivered. See "Document Retention Requirements" in FCC 04-190 for a descriptive list of many of the documents you must retain.

**FREE SERVICES ADVISORY** - Applicants and service providers are prohibited from using the Schools and Libraries Support Mechanism to subsidize the procurement of ineligible or unrequested products and services, or from participating in arrangements that have the effect of providing a discount level to applicants greater than that to which applicants are entitled.

**FCC REGISTRATION NUMBERS** - Effective November 1, 2004, E-rate program participants must have an FCC Registration Number. Please continue to review the SLD section of the USAC web site for additional guidance.

**Complete program information** - including more information on these reminders - is posted to the SLD section of the USAC web site at [www.sl.universalservice.org](http://www.sl.universalservice.org). You may also contact CSB by e-mail using the "Submit a Question" link on the web site, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.



Universal Service Administrative Company  
Schools & Libraries Division

FORM 471 RECEIPT ACKNOWLEDGMENT LETTER  
(Funding Year 2005: 07/01/2005 - 06/30/2006)

March 11, 2005

Ray Nutkis  
MORRIS CO VOC-TECH SCHOOL DIST  
400 E MAIN ST  
DENVER, NJ 07834-2592

ESP/CC3  
471  
RECEIVED

Re: Form 471 Application Number: 448973  
Funding Year 2005: 07/01/2005 - 06/30/2006  
Applicant's Form Identifier: 4065320506  
Billed Entity Number: 123060

This notification is an acknowledgment of receipt and successful data entry of your FCC Form 471, "Services Ordered and Certification Form," reflecting \$81,948.00 in total program year pre-discount costs for services. This letter confirms that the Form 471 and signed or electronically certified Form 471 Certification have been received. Please note that the later of these Form 471 application materials was postmarked or received by the Schools and Libraries Division (SLD) on 02/17/2005. Your application will be considered within the Form 471 application filing window wherein all applications that meet the Minimum Processing Standards are treated as though they were received on the same day. It is important that you retain this Form 471 Receipt Acknowledgment Letter (RAL) for your records.

While the Item 21 Attachments are not a window filing requirement, you are encouraged to send them as soon as possible, if you have not already done so. You may send your Item 21 Attachments via e-mail, fax or mail. (See "Item 21 Attachments For Form 471" posted in the Reference Area of the SLD section of the USAC web site at [www.sl.universalservice.org](http://www.sl.universalservice.org).)

NOTE: Item 25 on the Form 471 is a certification that you have secured access to the resources necessary to pay for (1) the non-discount portion of the costs for eligible services within the funding year, as well as (2) the ineligible products and services necessary to make effective use of the eligible services you have requested. "Secured access" means that you can show that these funds are, or will be, part of your annual budget; or, if you are obtaining the funds from an outside revenue source, that these funds have been acquired or committed. IF YOU OBTAIN THESE FUNDS FROM AN OUTSIDE SOURCE, THE FUNDS MUST NOT COME DIRECTLY OR INDIRECTLY FROM YOUR SERVICE PROVIDER(S). YOUR SERVICE PROVIDER(S) MAY NOT WAIVE THE NON-DISCOUNT PORTION OF THE COSTS.

THIS LETTER DOES NOT CONTAIN ANY DECISIONS CONCERNING YOUR REQUESTS FOR DISCOUNTS. NOTE, HOWEVER, THE THREE-WEEK RESPONSE DEADLINE DESCRIBED BELOW.

It is important that you keep the Form 471 Application Number cited above for future communications with the SLD. Our Program Integrity Assurance (PIA) Team will now review your application for compliance with program rules. Once the review of your application has been completed, you will receive one or more Funding Commitment Decision Letters (ECDLs) to inform you of our decisions on your Funding Requests. You cannot assume that USAC will approve the discounts for which you are applying before an ECDL is issued.

FCC rules require you to retain documentation showing that you have complied with all statutes and Commission rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts. (See 47 C.F.R. 54 Secs. 504-516.) You must retain all required documents for a period of at least five years after the last day of service delivered. A descriptive list

illustrating documents that service providers and beneficiaries must retain is included in the Form 471 Instructions. All documents used during the competitive bidding process, including correspondence between the beneficiary and prospective bidders regarding the products and service sought and all bids submitted - winning and losing - must be retained.

**ALLOWABLE CORRECTIONS USING THE RAL (ACT WITHIN THREE WEEKS!)**

If you find data entry errors on this letter, or you previously identified errors on your Form 471, certain of these errors can be corrected using this Form 471 RAL.

- You MUST, at a minimum, include the signature, printed name and official title of either the contact person on this letter or the authorized person on the Form 471.
- Requests should be received or postmarked within three weeks of the date on this letter.

If any of the required information is missing or the request is late, the request may be not processed, but may will be included in the review of the form.

**Examples of ALLOWABLE CORRECTIONS are:**

- A. **CORRECTIONS TO BLOCK 1 INFORMATION:** You may correct Block 1 items such as the contact person's name, street address, etc.
- B. **CORRECTIONS TO BLOCK 4 INFORMATION:** While the RAL does not contain Block 4 Worksheet information, you may check this information on our web site. (See the last paragraph in this letter for instructions on displaying application data.) You may correct an entity listed on a Block 4 Worksheet. You may also provide or correct a National Center for Education Statistics (NCES) or Federal-State Cooperative System (FSCS) code. If needed, include an additional page from a blank Form 471 Block 4 Worksheet with ALL columns completed. If the Form 471 has multiple worksheets, be sure to indicate the worksheet number(s) for which you are requesting the entity correction(s) be made. The Item 21 Attachment must substantiate corrections to Block 4. (See the FCC Order DA 02-90, released January 14, 2002.)

**NOTE:** If a Block 4 correction will lead to a decrease in the original discount percentage requested, the correction will be processed. This revised calculation will become the new discount percentage for the worksheet and for any Block 5 Discount Funding Requests that reference the worksheet.

If a Block 4 correction would lead to an increase in the discount percentage requested, the original discount percentage will continue to be the discount percentage for the worksheet and for any Block 5 Discount Funding Requests that reference the worksheet.

- C. **REDUCTIONS TO BLOCK 5 DISCOUNT FUNDING REQUESTS:** You may request reductions to Block 5 Discount Funding Requests except for those that would increase your discount percentage due to a change in recipients of that Block 5 service. You may wish to reduce requests if you:
  - will not be able to make use of services for which you requested discounts for the funding year, or
  - based your Discount Funding Request(s) for tariffed or month-to-month service on a projected rate increase that is now known to be much smaller than expected.
- D. **CANCELLATIONS OF BLOCK 5 DISCOUNT FUNDING REQUESTS:** You may wish to cancel Block 5 Discount Funding Requests if you:
  - duplicated pending requests in Forms 471 for prior funding years where you had not received an FCDL before the close of the Form 471 application filing window, or
  - will not be able to make use of services for which you requested discounts for the funding year.

Reduction and cancellation requests are not subject to the three-week deadline.

The SLD encourages applicants who know that they will not use all of the amounts requested to notify the SLD of an appropriate reduction to or cancellation of these Discount Funding Requests. This action would allow the SLD to distribute the amounts that are available for the funding year more effectively.

- E. **UNBUNDLING AN ERN:** You may request to "split" or "unbundle" an incorrectly combined Funding Request Number (ERN) with two or more services from different service providers (for example, local phone service from one company and long distance

service from another for which you receive separate bills), or from different eligible service categories (such as Internal Connections Other than Basic Maintenance and Basic Maintenance of Internal Connections).

NOTE: The total dollar amount represented by the newly divided FRNs must not exceed the amount you requested for the original combined FRN.

To split or unbundle an incorrectly combined FRN, draw a line through the original combined FRN on the photocopy of your RAL. Then write in the SPIN, Service Provider Name, Services Ordered category, Total Program Year Pre-Discount \$ Amount, and Discount Percentage for each distinct service you have now "unbundled," making sure that the total dollars requested add up to no more than the ORIGINAL request.

- F. CORRECTION OF AN INTERIM SPIN (143999999) OR INCORRECT SPIN: Corrective SPIN Changes are allowed. These include corrections because
- the service provider did not have an assigned SPIN, or
  - there was a data entry error by the applicant or the SLD, or
  - the company has merged with or been acquired by another company, or
  - other instances when the SPIN indicated on the Form 471 changed when the applicant did not initiate such a change.

Requests to change service providers for other reasons - Operational SPIN Changes - are not allowed prior to commitment.

- G. CORRECTION OF AN INCORRECT SITE IDENTIFIER: You may correct the site identifier, which is the Entity Number of the recipient of a site-specific service from Block 5, Item 22a of the Form 471. (See Item B. above for correcting a site identifier on a shared service.) The Item 21 Attachment must substantiate the correction to the site identifier. (See the FCC Order DA 02-90, released January 14, 2002.)

NOTE: If a site identifier correction will lead to a decrease in the original discount percentage requested, it will be processed. The revised calculation will become the new discount percentage for the Funding Request.

If a site identifier correction will lead to an increase in the discount percentage requested, the original discount percentage will continue to be the discount percentage for any Block 5 Funding Requests that reference the worksheet.

- H. CORRECTION OF AN INCORRECT BUDGET CALCULATION: You may correct the data you provided in Block 6, Item 25d for the total budgeted amount allocated to resources not eligible for E-rate support. (See the last paragraph in this letter for instructions on displaying application data.)

Note that these corrections should be RECEIVED OR POSTMARKED within three weeks of the date of this letter. Follow these simple steps to make corrections:

1. Photocopy your RAL.
2. Draw a line through each incorrect item, and mark clearly next to it what the correct information should be.
3. Provide the name of the contact person and the contact person's e-mail address, fax number, or telephone number on the first page of the RAL copy that will be sent to the SLD so that we can contact you if we have questions about your requested changes.
4. Make a photocopy of your marked-up letter to keep for your files.
5. Sign your letter.
6. Send your marked-up letter so that it is received or postmarked within three weeks of the date of this RAL. Corrections may also be filed electronically, either by e-mail or by fax. Requests submitted by e-mail or fax will be considered filed on a business day if they are received at the SLD at any time up to 12:00 a.m. (midnight) ET.

To send your marked-up letter and any additional pages by US Postal Service or other carrier, mail to:

Data Entry Corrections  
Schools and Libraries Division  
Box 125 - Correspondence Unit  
80 South Jefferson Road  
Whippany, NJ 07981

To send your marked-up letter and any additional pages by e-mail, use the "Submit a Question" feature on the SLD web site at [www.sl.universalservice.org](http://www.sl.universalservice.org). Follow the online instructions for help on submitting attachments.

NOTE: To be filed by e-mail, your marked-up letter should be scanned (TIF file format is preferred). Total file size of the e-mail message must be less than 10 Megabytes. The SLD will automatically reply to incoming e-mails to confirm receipt.

To send your marked-up letter and any additional pages by fax, fax to:

(973) 599-6526

7. Allowable corrections received in a timely fashion will be reflected in your FCDL. We will not make corrections that do not fall into the categories defined as Allowable Corrections above. Please note that, except for the automated e-mail response, the SLD will not advise you that we have received your "change request."
8. Please notify your service provider of any corrections to the RAL that you submit to the SLD. Your service provider has also received a copy of the original RAL. This correction will help your service provider keep your records updated.

#### MISSING FUNDING REQUESTS

If information about a particular Block 5 Discount Funding Request is not included in the itemized list of Block 5 FRNs reported in the attached "Form 471 RAL Funding Requests Report", this is because the FRN did not pass Minimum Processing Standards. If this is the case, you will receive a separate letter from the SLD explaining the reason for rejection. If you believe that there were FRNs included in your Form 471 that are not listed in this letter AND you do not receive a letter informing you that those FRNs are rejected, please contact us using the e-mail, fax or mail instructions found earlier in this letter. Label your communication "QUESTIONS ABOUT RAL". Please note that the SLD Client Service Bureau may not have the information necessary to respond to your inquiry; therefore, your letter should be sent as described above for a RAL correction.

#### FUTURE CONTACTS WITH PROGRAM INTEGRITY ASSURANCE (PIA)

It may be important for us to contact you as our PIA Team reviews the funding requests contained in your Form 471. Our requests for clarification and/or additional documentation will require a prompt response to permit us to process as many applications as possible before the start of the Funding Year. The due date for such responses will be established at the time that the PIA Team contacts you. Please make sure that the contact person on your application is available to speak with the PIA Team, or that a surrogate is available. In addition, you should monitor on a daily basis the fax and e-mail locations that you cited in your Form 471 for the contact person.

#### COMMUNICATIONS WITH YOUR SERVICE PROVIDERS

The SLD is also sharing this FRN information with service providers whose SPINs are listed on Form 471 applications. This information is provided so that service providers can undertake the preparatory steps of identifying their potential customers for whom discounts may be issued. NO DISCOUNTS will be provided until after:

- the SLD issues the FCDL for a particular application; AND
- technology plans, if applicable, have been approved; AND
- the applicant submits a Form 486 with a valid service start date.

The SLD encourages Form 471 applicants to contact their service providers to inform the service providers of the funding requests submitted to the SLD. Service providers may request additional information concerning the specific services contained within each funding request in order to facilitate discounted billing, if that is the billing arrangement requested by the applicant.

If the interim SPIN (#143999999) is featured on a funding request, the SLD has not been informed of the correct SPIN for the service provider associated with that Block 5 funding request. The SLD WILL NOT commit funds on such requests until we are notified of the correct SPIN. You can contact your service provider to obtain your service provider's SPIN, or you may search for the SPIN by using the SPIN Search tool under the Tools menu on our web site. Once you have obtained the correct SPIN, use the guidance in the "ALLOWABLE CORRECTIONS USING THE RAL" section of this letter to notify the SLD of the correct SPIN. If your service provider has not been issued a SPIN, ask the service provider to review the information for obtaining a SPIN on our web site or to contact the USAC Customer Resource Center toll-free at 1-888-637-6226.

#### EXPLANATION OF FORM 471 RAL BLOCK 5 FUNDING REQUESTS REPORT

Certain information from each Block 5 Funding Request of Form 471 Application Number 448973 that passed Minimum Processing Standards and that could be entered into our

data system is shown in the attached "Form 471 RAL Block 5 Funding Requests Report." There are seven important components of information shown for each Block 5 Funding Request:

- FRN (Funding Request Number): The unique number assigned by the SLD to each Block 5 of your Form 471 once it has been data entered. This number is used to report to applicants and service providers the status of individual Block 5 Discount Funding Requests submitted on a Form 471.
- SPIN (Service Provider Identification Number): The unique number assigned by USAC to the service provider you identified as providing the service included in this FRN.
  - If you did not supply a valid SPIN with your Form 471, you will be required to do so before a funding commitment can be issued. (See F. CORRECTION OF AN INTERIM SPIN (143999999) OR INCORRECT SPIN above.)
- Service Provider Name: The name of the service provider that you identified as providing the service included in this FRN.
- Category of Service: The type of service for which you have requested discounts in each Block 5 funding request. The categories of services are Telecommunications Services, Internet Access, Internal Connections Other than Basic Maintenance, and Basic Maintenance of Internal Connections.
- Site Identifier: This will only appear if an Entity Number was provided in Block 5, Item 22a for site-specific services described in this FRN.
- Pre-discount Amount: The total annual pre-discount cost for each FRN. This amount is taken from Block 5, Item 23I.
- Discount Percentage: The discount percentage from Block 5, Item 23J.

If you would like to view additional funding request data, click the "Data Requests" button on the web site and follow the instructions provided. If you would like to view your entire Form 471 application, click the "Display" button in the Apply Online Area of the web site and enter your Form 471 Application Number. Use the print feature on your browser to print any portion of your Form 471 or the entire application as displayed.

Schools and Libraries Division  
Universal Service Administrative Company

Form 471 RAL Block 5 Funding Requests Report

THIS REPORT DOES NOT CONTAIN ANY DECISIONS CONCERNING YOUR REQUESTS FOR DISCOUNTS.

ERN: 1249096  
SPIN: 143004333 Service Provider Name: Verizon Network Integration Corp  
Category of Service: Internet Access  
Pre-discount Amount: \$45,948.00  
Discount Percentage: 35%

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ERN: 1249989  
SPIN: 143001362 Service Provider Name: Verizon - New Jersey, Inc.  
Category of Service: Internet Access  
Pre-discount Amount: \$36,000.00  
Discount Percentage: 35%

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Universal Service Administrative Company  
Schools & Libraries Division

**FUNDING COMMITMENT DECISION LETTER**  
(Funding Year 2005: 07/01/2005 - 06/30/2006)

June 27, 2005

Ray Nutkis  
MORRIS CO VOC-TECH SCHOOL DIST  
400 E MAIN ST  
DENVER, NJ 07834-2592

471 APPROVAL

Re: Form 471 Application Number: 448973  
Funding Year 2005: 07/01/2005 - 06/30/2006  
Billed Entity Number: 123060  
Billed Entity FCC RN: 12856456  
Applicant's Form Identifier: 4065320506

Thank you for your Funding Year 2005 E-rate application and for any assistance you provided throughout our review. Here is the current status of the funding request(s) featured in the Funding Commitment Report at the end of this letter.

- The amount, \$28,681.80 is "Approved."

Please refer to the Funding Commitment Report on the page following this letter for specific funding request decisions and explanations.

The Important Reminders and Deadlines immediately preceding this letter are provided to assist you throughout the application process.

**NEXT STEPS**

- Work with your service provider to determine if you will receive discounted bills or if you will request reimbursement from USAC after paying your bills in full
- Review technology planning approval requirements
- Review CIPA Requirements
- File Form 486
- Invoice the SLD using the Form 474 (service provider) or Form 472 (Billed Entity) - as products and services are being delivered and billed

**FUNDING COMMITMENT REPORT**

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. The enclosed report includes a list of the Funding Request Number(s) (FRNs) from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) after you file your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that provides a definition for each line of the Report.

**TO APPEAL THIS DECISION:**

If you wish to appeal a decision in this letter, your appeal must be received by the SLD or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and (if available) e-mail address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the letter and the decision you are appealing:
  - Appellant name,
  - Applicant name and service provider name, if different from appellant,